

Omnibus Bill addresses USACE privatization

On Feb. 20, the President signed the fiscal year 2003 (FY03) Omnibus Bill to fund the federal government through 2003. In addition to an appropriation of about \$4.6 billion for the U.S. Army Corps of Engineers Civil Works mission, the bill also contained language restricting the privatization of Corps missions and functions.

Specifically, Section 109 of the bill states, "None of the funds appropriated herein or hereafter in this Act, or in any other Act, shall be used to study or implement any plans privatizing, divesting, or transferring of any Civil Works missions, functions, or responsibilities for the U.S. Army Corps of Engineers to other government agencies without specific direction in a subsequent Act of Congress."

We are working with Office of Management and Budget, Congress, and the Army General Counsel to determine exactly how this language will affect our efforts.

In a recent opinion provided to the Assistant Secretary of the Army (Civil Works), the Army General Counsel noted that the statute prohibits the use of FY03 funds to "privatize any civil works missions, functions or responsibilities. This language does not preclude the transfer of certain tasks or assignments to the private sector, as long as the Army retains control and oversight.

The Corps is committed to supporting the President's Management Agenda and the Army Third Wave and, with that in mind, we are moving ahead to develop an implementation plan for the Corps. In first week of March, Corps Headquarters held a workshop with major subordinate command representatives to refine the competitive sourcing plan and to develop an implementation strategy. This group addressed many issues -- how best to package the functions to be competed, the types of review and competition for various functions or business units, how the reviews will be conducted, resource requirements, and more.